



THE ULTIMATE POWERSPORTS EXPERIENCE



QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

Forward-Looking Statements

Certain statements in this presentation about the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

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JOSÉ BOISJOLI

CEO

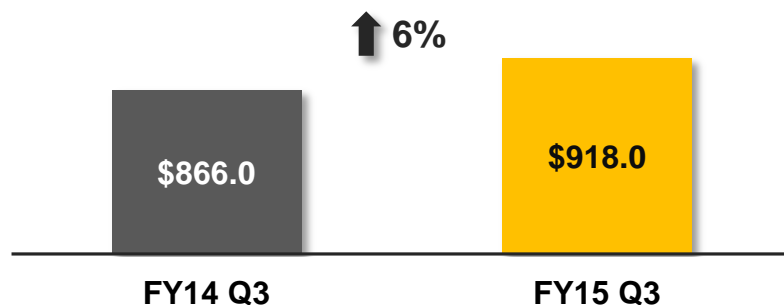
QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

FY15 Q3 Revenues and Normalized EPS

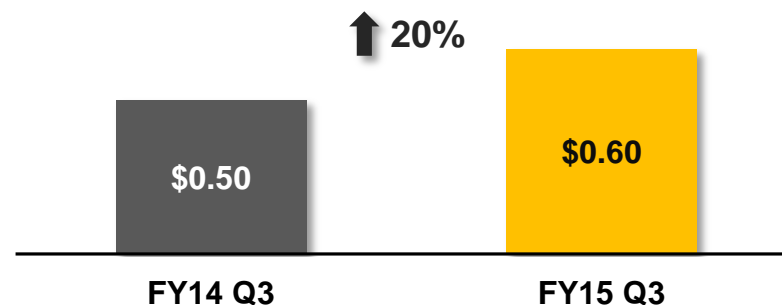
Revenues

CA\$ millions



Normalized EPS - Diluted^[1]

CA\$ millions



Financial Highlights

- Strong quarter driven by high volume of snowmobile vehicles and PAC
- Gross profit margin percentage increased 20bps to 26.1%
- Normalized EBITDA^[1] grew 13% to \$134.1M
- Normalized diluted earnings per share^[1] increased 20% to \$0.60
- Net income of \$37.2M compared to a net income of \$48.2M for the same period last year

^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix



Business Highlights

Markets Dynamic

North America

- BRP retail sales for *Seasonal Products* and *Year-Round Products* were up 10% in aggregate for the three-month period ended October 31, 2014 vs the same period last year
- Network inventory is about flat vs. the same period last year, a healthy level considering the higher snowmobiles shipments and dealer network expansion

International

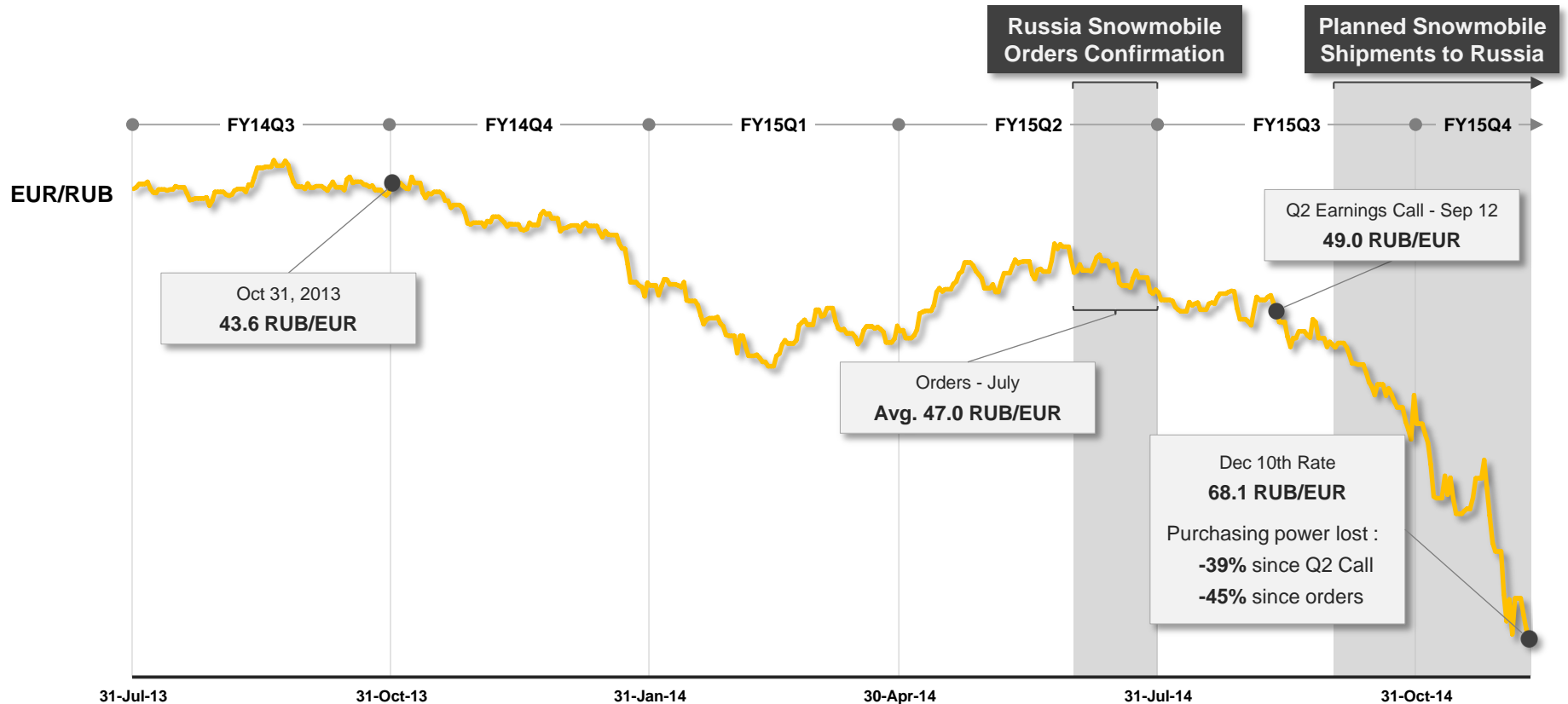
- Revenues up 8% for the quarter, driven by higher volume of snowmobile in Scandinavia and increased volume of Sea-Doo Spark in Asia-Pacific and Western Europe
- Russia situation more difficult than initially planned for Q4

Manufacturing Operations

- Program to transfer the assembly of traditional PWCs to Mexico is on track
- Production of new MY15 introductions is going as planned:
 - Can-Am Outlander L family
 - Can-Am Maverick X ds and Maverick X ds Turbo
 - Evinrude E-TEC G2
 - Can-Am Spyder F3



Russian ruble losing over 30% of its value since the Q2 earnings call is forcing us to adjust Q4 deliveries



Adjusting guidance to account for the expected financial impact

Source : Capital IQ



Transfer of the traditional PWC assembly to Mexico is progressing as planned

Smooth Transition

- Reconfiguration of the Spark assembly line was completed during the summer to support full PWC mix production
- Assembly of traditional PWC models was fully operational at the end of September, in time for counter-season markets production

Next Steps

- 50% of MY15 traditional PWC will be manufactured in Mexico
- Transfer of traditional PWC production will be 100% completed for MY16



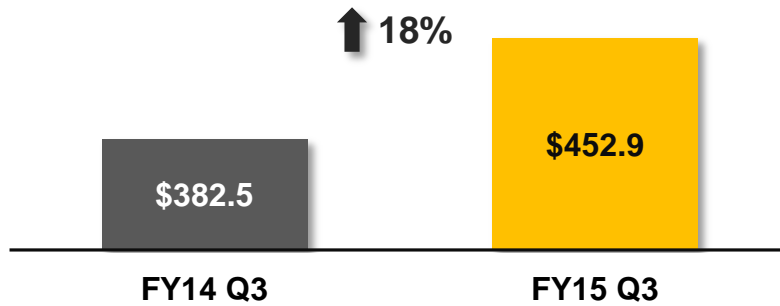
This project is expected to generate annual gross profit improvement of \$20M to \$25M by FY17



Seasonal Products

Revenues

CA\$ millions



Business Dynamics

Snowmobile

- Early in the season, the North American industry retail was up in the twenties %
- Ski-Doo gained market share over the same period

PWC

- N.A. PWC industry retail 2014 season ended on September 30, up high-double digits %
- Sea-Doo PWC retail grew in the mid-twenties % driven by the new Sea-Doo Spark

MY15 Ski-Doo Line-up



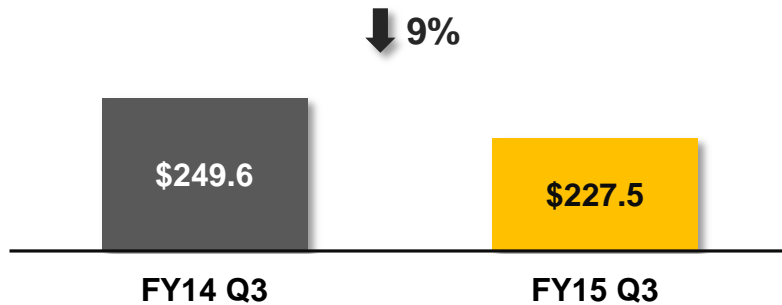
The Most Extensive
Line-up in the
Industry



Year-Round Products

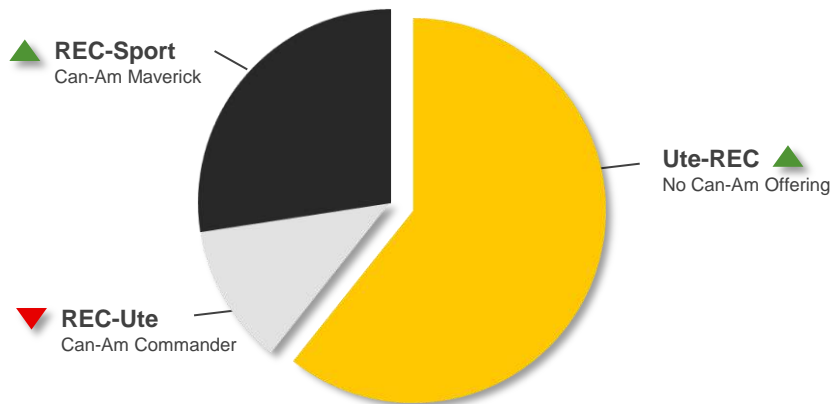
Revenues

CA\$ millions



North American SSV Industry

▲ ▼ Season-to-date segment trend



Business Dynamics

Off-Road Vehicles

- Season-to-date N.A. SSV industry up mid-teens digits, Can-Am SSV retail grew less than the industry
- Four months into the season, N.A. ATV industry was down low-single digits %
- Can-Am ATV retail was up low-single digits %
- Broke ground for the construction of Juarez 2

Roadster

- 2014 N.A. motorcycle industry season ended on October 31 with retail up low-single digits %
- Can-Am Spyder retail grew mid-single digits %, mostly driven by the favourable market reaction to the RT 1330

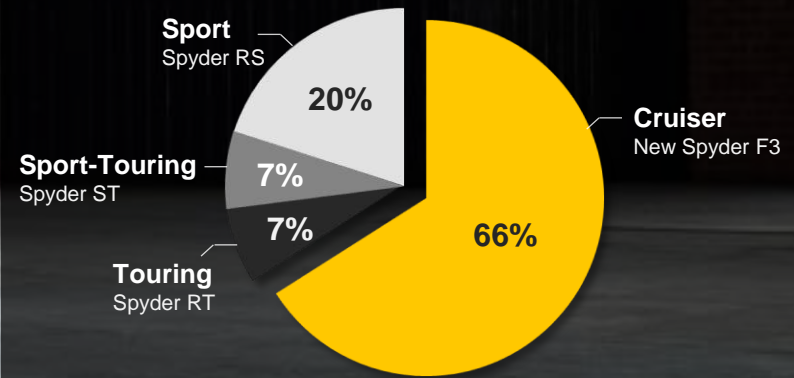


New Can-Am Spyder F3



New ergonomics and styling to appeal to the largest motorcycle segment

North American Motorcycle Industry by Segment^[1]



The F3 is a significant milestone in the expansion of the Spyder line-up

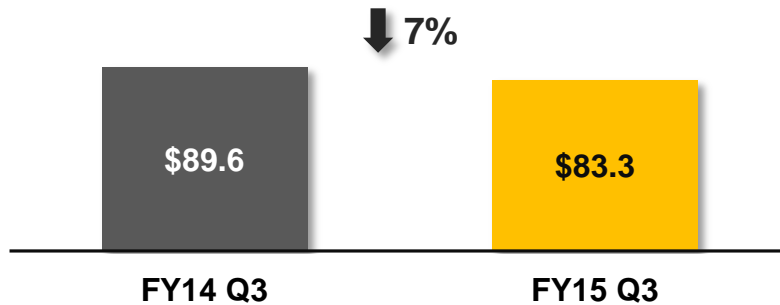
^[1] Source: Motorcycle Industry Council (MIC) in the USA and the MMIC in Canada



Propulsion Systems

Revenues

CA\$ millions



Business Dynamics

Outboard Engines

- Four months into the 2015 season, industry retail was up low-single digits %
- BRP retail sales were down low-single digits % over the same period
- Shipments of the Evinrude E-TEC G2 started in November

Evinrude E-TEC G2 - OEM Update

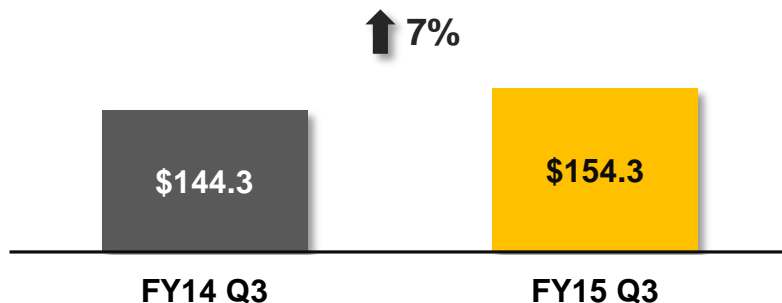


9 OEM partners have their own unique G2 HERO package panels to match the colour of their boats

Parts, Accessories and Clothing

Revenues

CA\$ millions



Business Dynamics

Parts, Accessories and Clothing

- Growth primarily driven by strong sales of snowmobile parts for the upcoming season
- Good momentum in the sales of SSV accessories also contributing to the growth

Extensive Spyder F3 PAC line-up

TOURING ESCAPE PACKAGE



URBAN NIGHTS PACKAGE



MUSCLE ATTITUDE PACKAGE



Over 60 new accessories offered in 3 packages or individually along with a new lifestyle-oriented clothing line





SÉBASTIEN MARTEL

CFO

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

FY15 Q3 - Financial Highlights

CA\$ millions	Q3 comparison			9-month comparison		
	FY15	FY14	Change	FY15	FY14	Change
Total Revenues	\$918.0	\$866.0	\$52.0	\$2,456.6	\$2,291.2	\$165.4
Growth	+6.0%			+7.2%		
Gross Profit	\$239.6	\$223.9	\$15.7	\$555.9	\$584.5	(\$28.6)
As a % of revenues	26.1%	25.9%		22.6%	25.5%	
Operating Income	\$98.7	\$95.0	(\$3.7)	\$130.7	\$216.9	(\$86.2)
As a % of revenues	10.8%	11.0%		5.3%	9.5%	
Net Income	\$37.2	\$48.2	(\$11.0)	\$61.6	\$66.0	(\$4.4)
As a % of revenues	4.1%	5.6%		2.5%	2.9%	
Normalized Net Income^[1]	\$71.9	\$59.0	\$12.9	\$79.7	\$120.0	(\$40.3)
Normalized EBITDA^[1]	\$134.1	\$119.0	\$15.1	\$222.0	\$274.2	(\$52.2)
EPS - Diluted	\$0.31	\$0.41	(\$0.10)	\$0.52	\$0.59	(\$0.07)
Normalized EPS – Diluted^[1]	\$0.60	\$0.50	\$0.10	\$0.67	\$1.08	(\$0.41)

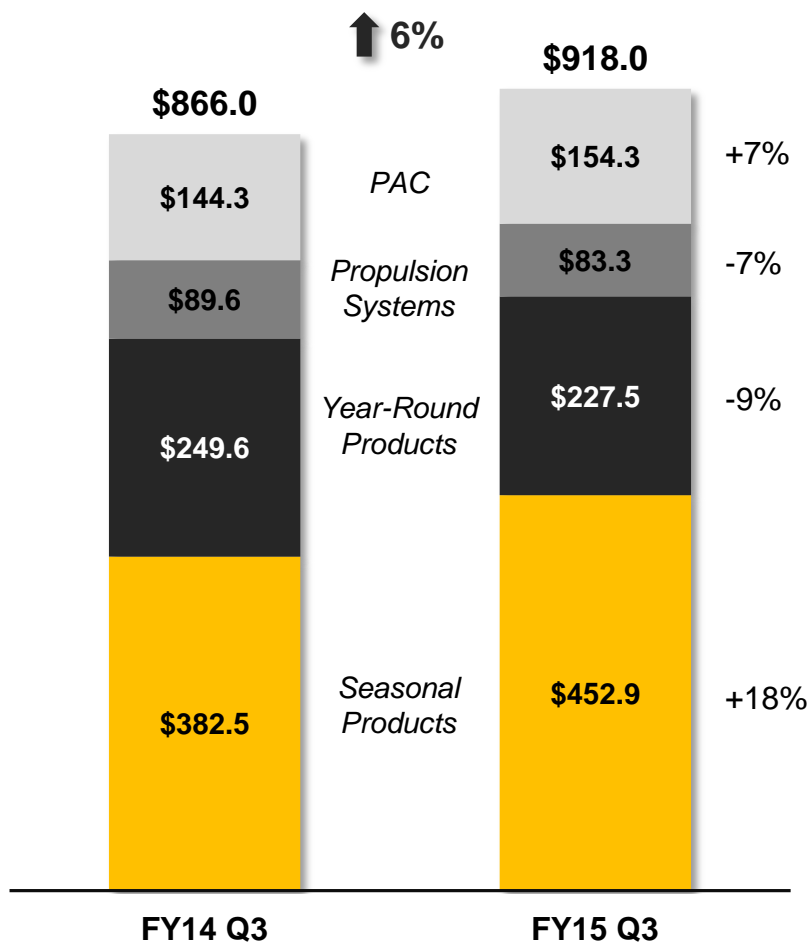
^[1] For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix



FY15 Q3 - Revenues by Product Category and Geography

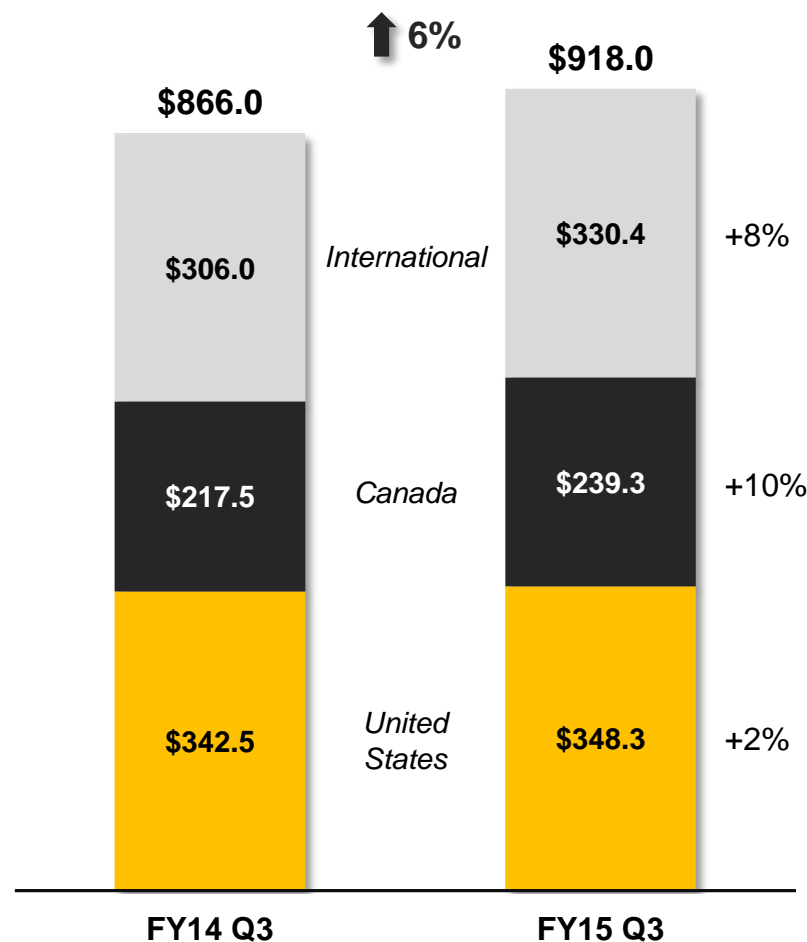
Revenues by Product Category

CA\$ millions



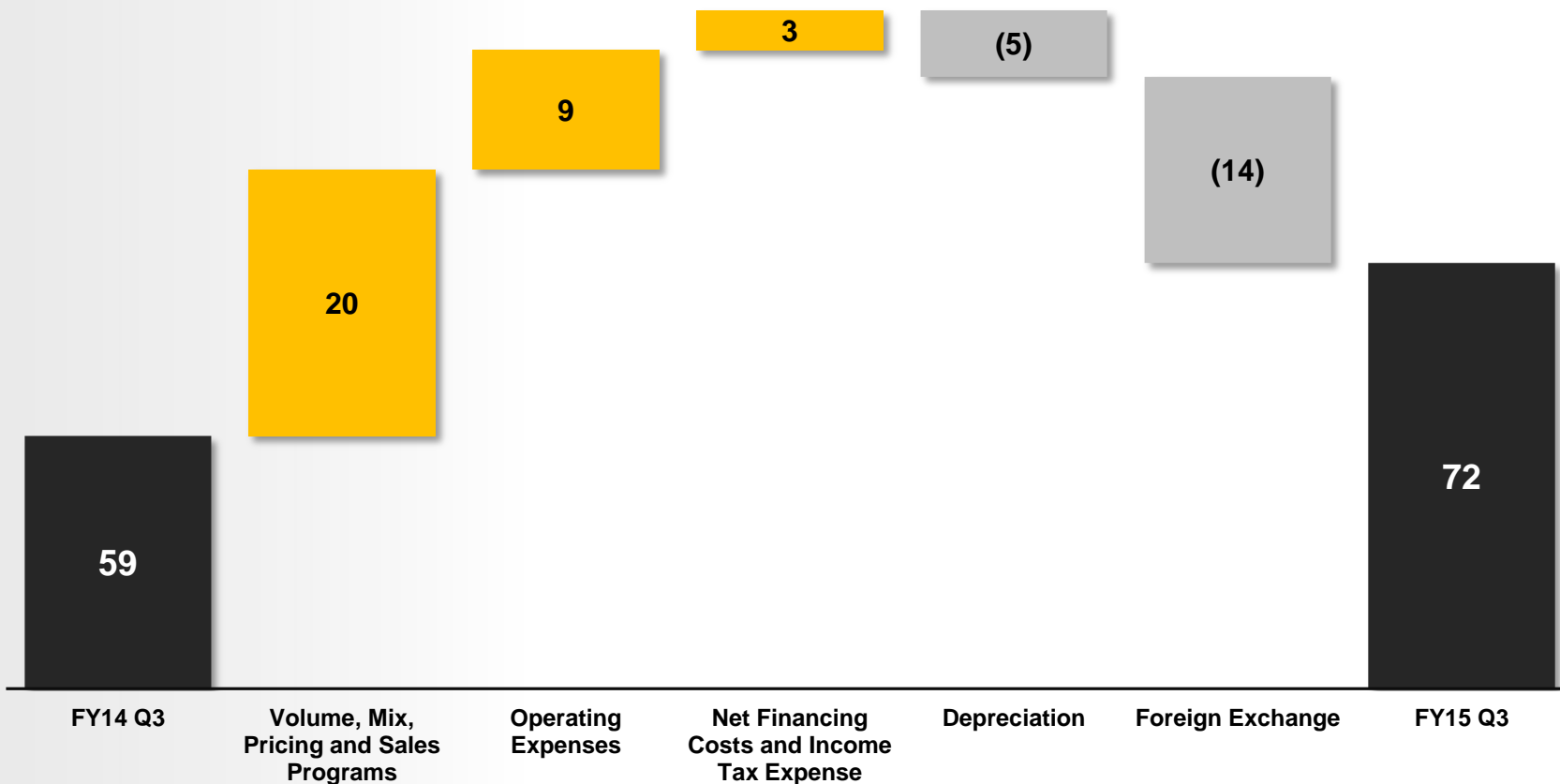
Revenues by Geography

CA\$ millions



Quarterly Normalized Net Income Bridge

CA\$ millions



Normalized Net Income increased 22% compared to FY14 Q3



FY15 Q3 - Financial Position and Liquidity Profile

CA\$ millions	As at Oct. 31	As at Jan. 31	Change
	2014	2014	
Cash	\$45.1	\$75.4	(\$30.3)
Working capital	184.7	155.6	29.1
Revolving credit facilities	2.2	10.5	(8.3)
Long-term debt ^[1]	924.1	889.9	34.2

CA\$ millions	9-month comparison		
	FY15	FY14	Change
Capital expenditures	(\$107.5)	(\$93.5)	(\$14.0)
Free cash flow ^[2]	(3.3)	(52.0)	48.7

^[1] Including current portion of long-term debt

^[2] Free cash flow is defined as net cash flow from operating activities minus capital expenditures



BRP North American Powersports Dealer Network

North American Dealer Inventory Level

Units, Excluding Outboard Engines



Q1

Q2

Q3

Q4

—●— FY13

—●— FY14

—●— FY15

Dealer inventory ended FY15 Q3 at the same level as FY14 Q3

Seasonal Products

- **Inventory up** - driven by increased shipments of snowmobiles to meet higher demand for the current season

Year-Round Products

- **Inventory down** - Driven by ORV

Dealer network expansion is progressing well and is in-line with our plan

Network inventory is at the same level as last year despite increased snowmobile shipments and dealer network expansion



FY15 Full-Year Guidance - as at December 12, 2014

Financial Metric	FY15 Guidance vs FY14
Revenues	<i>No change unless otherwise noted</i>
Seasonal Products	Up 10% to 14% (lowered from up 12% to 16%)
Year-Round Products	Up 6% to 10%
Propulsion Systems	Up 7% to 10%
PAC	Up 10% to 15%
Total Company Revenues	Up 8% to 12% (lowered from up 9% to 13%)
Normalized EBITDA	Up 7% to 11% (lowered from up 11% to 15%)
Effective Tax Rate^[1]	24.5% - 25.5% (lowered from up 26% - 27%)
Normalized Net Income^[2]	Up 4% to 11% (lowered from up 10% to 17%)
Normalized Earnings per Share – Diluted	\$1.47 to \$1.57 (up 4% to 11%) ^[3] (lowered from \$1.55 to \$1.65)
Capital Expenditures	\$165M to \$175M

^[1] Effective tax rate based on Normalized Earnings before Income Tax

^[2] Assuming \$116M Depreciation Expense

^[3] The 4% to 11% increase assumes a constant weighted average number of diluted shares of 118.9 million for both FY15 and FY14.





Closing Remarks

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.



Q&A Period

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.

Global Leader in Powersports Vehicles and Engines

Seasonal Products

ski-doo
LYNX
SEA-DOO



Snowmobiles



Personal Watercraft

Year-Round Products

can-am



All-Terrain Vehicles



Recreational
Side-by-Side Vehicles



Roadsters

Propulsion Systems

EVINRUDE
ROTAX



Outboard
Engines



OEM Engines

Diversified Product Portfolio AND Powerful Brands





Appendix

QUARTERLY REVIEW

THIRD QUARTER ENDED OCTOBER 31, 2014

SKI-DOO.
LYNX.
SEA-DOO.
EVINRUDE.
ROTAX.
CAN-AM.

Reconciliation Tables

CA\$ millions	Three-month periods ended		Nine-month periods ended	
	Oct. 31, 2014	Oct. 31, 2013	Oct. 31, 2014	Oct. 31, 2013
Net Income	\$37.2	\$48.2	\$61.6	\$66.0
Normalized Elements:				
Foreign exchange loss on long-term debt	29.8	10.9	12.4	43.5
Increase in fair value of common shares	-	-	-	19.6
Restructuring costs reversal ^[1]	(0.4)	(1.1)	(1.0)	(1.1)
Impairment charge reversal ^[2]	-	-	-	(0.3)
(Gain) reversal from insurance recovery ^[3]	-	-	1.4	(11.0)
Other elements ^[4]	7.3	1.2	8.3	2.4
Income taxes adjustment	(2.0)	(0.2)	(3.0)	0.9
Normalized Net Income	71.9	59.0	79.7	120.0
Normalized income taxes expense	19.3	21.1	17.4	40.0
Financing costs	15.2	15.3	44.2	48.9
Financing income	(0.8)	(0.3)	(1.9)	(2.0)
Depreciation expense	28.5	23.9	82.6	67.3
Normalized EBITDA	\$134.1	\$119.0	\$222.0	\$274.2

^[1] The Company revised its estimates related to the exit of the sport boat business and reversed in net income restructuring costs of \$0.4 million and \$1.0 million for the three and nine-month periods ended October 31, 2014 compared to \$1.1 million for the three and nine-month periods ended October 31, 2013. These costs were previously recorded during the twelve-month period ended January 31, 2013.

^[2] During the nine-month period ended October 31, 2013, the Company reversed \$0.3 million of the impairment charge that was previously recorded during Fiscal 2013 following the Company's decision to exit the sport boat business.

^[3] During the nine-month period ended October 31, 2014, the Company revised its estimates in relation of the payment received from the insurance coverage for the property, plant and equipment damaged by the explosion that occurred at the Company's research & development centre in Valcourt, Canada, during Fiscal 2013 and reversed in net income \$1.4 million of the \$11.0 million gain that was previously recorded during the nine-month period ended October 31, 2013.

^[4] During the three and nine-month periods ended October 31, 2014, other normalized elements include \$6.7 million of employee's severances following the Company's decision to optimize its worldwide workforce. For all the reported periods, other normalized elements include retention salaries related to the transfer of the assembly of PWC from Canada to Mexico and the outsourcing of the PAC distribution to third-party logistics providers. The retention salaries totalled \$0.6 million and \$1.6 million for the three and nine-month periods ended October 31, 2014 compared to \$0.7 million and \$1.9 million for the three and nine-month periods ended October 31, 2013. During the three and nine-month periods ended October 31, 2013, other normalized elements also include \$0.5 million of fees and expenses related to the secondary offering transaction completed on October 9, 2013.



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